

Robert Rugan
725 McKinley
Great Bend, KS 67530-4707

July 17, 2008

Gary Van Meter
Deputy Director, Office of Regulatory Policy
1501 Farm Credit Drive
McLean, VA 22102

Re: Proposed Rule; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations;
Mission-Related Investments, Rural Community Investments, Farm Credit Administration; 12CFR Part 615; 73
Federal Register No.116; pp 33931; June 16, 2008

Dear Gary Van Meter:

I am writing to express my opposition to the Farm Credit Administration's (FCA) proposed rule that would allow Farm Credit System (FCS) lenders to invest up to 150 percent of their capital surplus on projects unrelated to agriculture. The reason for my opposition as a commercial lender is that it takes FCS away from its standard mission and allows financing of various projects such as hotels, office parks, hospitals or any other project that the FCA deems appropriate.

The proposed FCA rule would permit FCS institutions to make speculative investments in projects that they have little or no experience in. This, in my opinion, is a risky venture.

As a farmer, I would prefer that FCS stick with their original mission by offering products and services to our farmers and ranchers in rural America. The System should not be allowed to make investments in areas where it has no experience, no loan making authority, no branch networks, and no authority granted by Congress.

The Farm Credit System is a government-sponsored enterprise (GSE) created by Congress, with certain advantages and limitations, to serve a specific mission. This proposed rule moves the FCS away from that mission.

I respectfully urge the Farm Credit Administration to withdraw this proposed rule on "mission-related activities" for the reasons stated above.

Sincerely,



Robert R. Rugan
620-793-5164
Vice President
American State Bank & Trust